



MOSAIC LEASE PROGRAM HVAC EQUIPMENT SUPPLEMENT

Last updated March 23, 2023

This Mosaic Lease Program HVAC Equipment Supplement (this “**HVAC Lease Supplement**”) supplements and is incorporated by reference into the Mosaic Program Participation Agreement (the “**Participation Agreement**”) between Solar Mosaic LLC, a Delaware limited liability company (successor in interest to Solar Mosaic, Inc.), as administrator of the Mosaic Loan Program (the “**Loan Program**”) and Modern Home LLC, a Delaware limited liability company, as administrator of the Mosaic Lease Program (the “**Lease Program**”, and together with the Loan Program, the “**Mosaic Program**”), of the first part (collectively, “**Program Administrator**”), and the Person named as Participant in the Participant Application, of the second part (“**Participant**”). All capitalized terms not otherwise defined herein shall have the meanings given to them in the Participation Agreement or Lease Addendum.

1. **APPLICABILITY.** This HVAC Lease Supplement applies to the promotion and funding of HVAC Equipment under the Lease Program. Participant agrees to comply with the terms and conditions of this HVAC Lease Supplement, as well as the other Mosaic Program Documents, whenever promoting the Lease Program to Customers interested in leasing HVAC Equipment and performing design, engineering, installation, maintenance, repair, or other work related to HVAC Equipment subject to a Lease. In the event of a conflict between the terms of this HVAC Lease Supplement and other Mosaic Program Documents, the order of priority described in Section 12.8 of the Participation Agreement shall apply. Program Administrator may modify the terms of this HVAC Lease Supplement in its sole discretion as set forth in Section 1.4 of the Participation Agreement.
2. **PURCHASE AND SALE OF HVAC EQUIPMENT**
 - 2.1. Purchase and Sale of HVAC Equipment. Program Administrator, on behalf of the applicable Financing Provider, agrees to purchase, and Participant agrees to sell HVAC Equipment associated with a Lease conforming to the requirements specified by Program Administrator from time to time and on the terms and conditions set forth in this HVAC Lease Supplement.
 - 2.2. Product Installation Amount. Program Administrator, on behalf of the applicable Financing Provider, shall pay the Product Installation Amount for the applicable HVAC Equipment in accordance with the Payment Schedule. The Product Installation Amount is the complete compensation for the provision and installation of the HVAC Equipment purchased by Program Administrator (on behalf of the applicable Financing Providers) hereunder and includes (a) all export, import, customs and associated taxes, duties, tariffs and other similar amounts levied or assessed under any Applicable Law (but excluding any state or local sales or use tax), (b) all packaging, transportation, handling, shipping, transit insurance and similar costs and charges, in each case consistent with Participant’s obligation to deliver the HVAC Equipment to the place of installation, (c) all licensing fees, royalties or other similar charges with respect to the HVAC Equipment, and (d) all labor, permitting and installation costs, in each case (a), (b), (c) and (d), of any and all kinds imposed with respect to the provision and installation of any HVAC Equipment, including any increases in any of the same during the term of this HVAC Lease Supplement. If Program Administrator, on behalf of the applicable Financing Provider, is required by any Applicable Law to pay or collect any such taxes, duties or other amounts on the HVAC Equipment, then such taxes, duties or other amounts shall be promptly reimbursed by Participant to Program Administrator on behalf of the applicable Financing Provider, except for any state or local sales or use tax, which the applicable Financing Provider shall be responsible for paying.
 - 2.3. Lien Waivers. Upon request by Program Administrator, on behalf of the applicable Financing Provider, Participant shall provide written waivers and releases of liens and security interests in the form required by Applicable Law.
 - 2.4. Transfer and Warranty of Title. Title to the HVAC Equipment subject to each Lease shall pass from Participant to the applicable Financing Provider or its designee upon payment of the Product Installation Amount for such HVAC Equipment by such Financing Provider (less any amounts which Program Administrator or the applicable Financing



Provider may be entitled to withhold or set off pursuant to Section 2.7 of the Participation Agreement). Participant warrants good title to all HVAC Equipment furnished hereunder, and Participant warrants that title and ownership thereto shall pass to and vest in the applicable Financing Provider as described in this Section 2.4 free and clear of any and all liens, claims, charges, security interests, encumbrances and rights of other persons other than those arising as a result of any actions of Program Administrator or the applicable Financing Provider. However, transfer of title hereunder shall not affect Program Administrator's rights, on behalf of the applicable Financing Provider, or Participant's obligations as set forth in other provisions of the Mosaic Program Documents.

2.5. Risk of Loss. Care, custody and control of the HVAC Equipment, and risk of loss to the HVAC Equipment, shall transfer from Participant to the applicable Financing Provider at such time as title thereto is transferred.

3. MAINTENANCE VISITS.

3.1. Performance of Maintenance Visits. Participant agrees to perform one (1) preventative inspection during the first year following initial installation of the HVAC Equipment, two (2) preventative inspections per year during all remaining years of the Original Term of the Lease, and one (1) preventative inspection per six (6) consecutive Extension Months, if applicable (each, a "**Maintenance Visit**"). Participant shall schedule Maintenance Visits with Customers so that the HVAC Equipment is serviced approximately every six (6) months during the term of the Lease.

3.2. Maintenance Services Performed. Each Maintenance Visit shall include the following services:



| Bi-Annual Preventative Service Plan | Each Visit | Spring Visit | Fall Visit |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--------------|------------|
| Visit with Customer to understand any concerns with system operation or performance | ● | | |
| Confirm Thermostat Operation and Set of Equipment to Operate (record customer settings before adjusting) | ● | | |
| Clean or Replace Air Filters | ● | | |
| Check Blower Wheel - Clean as needed | ● | | |
| Check Blower Motor Bearings for Wear | ● | | |
| Check Blower Wheel for Balance | ● | | |
| Check Blower Assembly for Secure Mounting | ● | | |
| Check Blower Motor Current Draw and Record | ● | | |
| Inspect and Tighten all Electrical Connections at ID unit | ● | | |
| Leave replacement air filter for homeowner to change in 3 months | ● | | |
| Check Entering Air Side of Indoor Coil for Dirt Accumulation: Remove and Clean as required | | ● | |
| Check Indoor Coil Drain Pan for Debris or Blockage: Remove and Clean as required | | ● | |
| Check Condensate Drain Line: Clear as required | | ● | |
| Check Refrigerant Metering Device: If TXV ensure sensing bulb is tight on suction line and properly insulated, validate proper location of sensing bulb on suction line | | ● | |
| Remove debris from around and inside the Outdoor Unit | | ● | |
| Inspect and Tighten all Electrical Connections at Outdoor unit | | ● | |
| Inspect compressor contactor points for pitting, debris and insects | | ● | |
| Visually inspect run capacitor for signs of damage, Measure microfrad and compare to nameplate, ensure microfrad is +/-10% of nameplate rating | | ● | |
| Check Outdoor Fan Blade for cracks or damage, clean as required | | ● | |
| Check Outdoor Fan Motor bearings for wear and lubricate as required | | ● | |
| Check wiring in compressor terminal box for damage, repair as required | | ● | |
| Check and clean outdoor coil: Backwash opposite direction of airflow when cleaning | | ● | |
| Start the system. Measure the following with OD unit operating line voltage at contactor: | | ● | |
| Both line and load sides of contactor: record measurements | | | |
| Compressor motor current flow, compare to nameplate: record measurements | | ● | |
| Outdoor fan motor current flow, compare to nameplate: record measurements | | ● | |
| Check Suction pressure at service valve and record | | ● | |
| Check Suction Temperature at service valve and record | | ● | |
| Check Liquid pressure at service valve and record | | ● | |
| Check Liquid temperature at service valve and record | | ● | |
| Calculate suction superheat and record | | ● | |
| Calculate liquid subcooling and record | | ● | |
| Plot superheat and subcooling on manufacture charging chart to ensure proper refrigerant charge | | ● | |
| Take corrective diagnostic troubleshooting actions if refrigerant charge is not within manufacturer specifications | | ● | |
| Measure temperature drop across indoor coil and record | | ● | |
| Gas Furnace: Remove and clean burner assembly | | | ● |
| Gas Furnace: Clean flame sensor | | | ● |
| Gas Furnace: Check igniter for cracks | | | ● |
| Gas Furnace: Check inducer motor bearings | | | ● |
| Gas Furnace: Check Flue Pipe for restrictions or damage | | | ● |
| Gas Furnace: Check gas pressure and record | | | ● |
| Gas Furnace: Check Pressure Switch Closing and Opening pressures and record | | | ● |
| Gas Furnace: Check Blower on and Blower off timing | | | ● |
| Gas Furnace: Check all safety devices for proper operation | | | ● |
| Heat Pump: Complete all Spring Visit checks on Fall Visit | | | ● |
| Heat Pump: Clean Electric Heater Elements | | | ● |
| Heat Pump: Check Amp Draw of each Electric Heat Element | | | ● |
| Heat Pump: Check all Electric Heat Safety Devices | | | ● |
| Heat Pump: Check Outdoor unit Metering Device | | | ● |
| Heat Pump: Check and Cycle Switchover valve | | | ● |
| Heat Pump: Force Defrost Cycle to ensure proper operation | | | ● |



3.3. Maintenance Fee. Program Administrator will pay Participant \$150.00 in the month following completion by Participant of each Maintenance Visit.

4. **WARRANTY**

4.1. HVAC Equipment Warranty. All HVAC Equipment sold to a Funding Provider hereunder shall include an HVAC Equipment Warranty on terms and conditions agreed by the Parties from time to time.

4.2. Warranty Work. During the term of the Lease, Participant will perform the work required to be undertaken by the Financing Provider under the applicable Lease with respect to the HVAC Equipment Warranty and the Service Warranty (collectively, the “**Warranty Work**”). Program Administrator will provide Participant with a copy of the form of the HVAC Equipment Warranty and the Service Warranty and shall notify Participant as soon as reasonably practicable of any changes to such warranties. Participant agrees to act as the single point of contact with the Customer for all maintenance and repairs of the HVAC Equipment. Participant shall provide each Customer with all necessary and appropriate contact information. When Participant receives Customer outreach for repair of the HVAC Equipment, Participant shall assess the HVAC Equipment to determine whether the HVAC Equipment requires repair and if so, whether such repair is covered by the HVAC Equipment Warranty and/or the Service Warranty. Participant shall directly reach out to the HVAC Equipment Manufacturer and/or the Service Warranty Provider, as applicable, on behalf of the applicable Financing Provider. Participant shall promptly notify Program Administrator if a Customer requests any repairs or service not covered by the HVAC Equipment Warranty or the Service Warranty and shall not perform any work or repairs not covered by the HVAC Equipment Warranty or Service Warranty unless approved by Program Administrator in writing.

4.3. Warranty Administration. During the term of the Lease, Participant shall administer, as an independent contractor, both the HVAC Equipment Warranty and the Service Warranty, including filing claims and submitting required documentation. Neither Program Administrator nor any Financing Provider will be responsible for making any payments to Participant for Warranty Work or for administration of the HVAC Equipment Warranty and Service Warranty; provided, that Participant shall be entitled to any reimbursements received from the HVAC Equipment Manufacturer or Service Warranty Provider, as applicable. Promptly upon Program Administrator’s request, Participant will provide documentation of such Warranty Work and the associated warranty claim to Program Administrator. In the event of a denial of coverage under the HVAC Equipment Warranty or the Service Warranty or if Participant has any questions regarding coverage of the HVAC Equipment or the Lease, Participant shall promptly contact Program Administrator.

5. **HVAC EQUIPMENT REMOVAL.** Upon Program Administrator’s request, Participant will remove any HVAC Equipment from the applicable Customer’s residence (“**HVAC Equipment Removal**”) for a fee to be agreed between Program Administrator and Participant at the time of such removal.

6. **STANDARDS OF PERFORMANCE**

6.1. Standards for Performance; Warranty-of-Work. Participant shall provide Maintenance Visits and Warranty Work in a manner that satisfies the Financing Provider’s obligations under the applicable Lease. Participant shall perform the Maintenance Visits, Warranty Work and any HVAC Equipment Removal in all respects in a prudent, reasonable, and efficient manner that minimizes disruption to the Customer and in accordance with (i) its obligations under this HVAC Lease Supplement, (ii) the HVAC Equipment Warranty or Service Warranty, as applicable, (iii) all Applicable Laws, regulations, codes, permits, and licenses, and (iv) Prudent Industry Practices. Participant represents and warrants that its services provided in connection with any Maintenance Visit or Warranty Work will be free from defects in labor, parts, and workmanship for a period of ninety (90) days from the service completion date, and that any such defects must be promptly corrected at Participant’s sole expense.

6.2. Personnel. Participant shall provide the personnel and resources reasonably necessary to administer the HVAC Equipment Warranty and the Service Warranty and to conduct the Maintenance Visits and any requested HVAC



Equipment Removals. Participant agrees to take reasonable steps to address concerns and complaints raised regarding the performance and customer service capabilities of its employees, Participant Agents and Subcontractors.

- 6.3. Liens and Encumbrances. Participant will not permit any lien, charge or encumbrance to exist on any HVAC Equipment or the applicable Customer’s home, and in the event a lien is filed by a Subcontractor, Participant shall cause such lien to be released and shall provide evidence thereof in form and substance reasonably satisfactory to Program Administrator.
- 6.4. Other Extended Warranties and Service Agreements. Participant agrees that it will not make or offer any agreement, written or oral, by Participant or a Third Party to provide to the Customer a workmanship or other warranty of, or services for, the HVAC Equipment that is above and beyond the HVAC Equipment Warranty and the Service Warranty, as applicable.
7. **HVAC EQUIPMENT DATA**. To the extent applicable, Participant shall provide to Program Administrator the information outlined in the table below for each Installation Agreement (“**HVAC Equipment Data**”) within ten (10) business days of Program Administrator’s request therefor. Participant will use commercially reasonable efforts to ensure that the HVAC Equipment Data is provided in easily readable and text searchable format.

| Activity | Documentation |
|--------------------------|-------------------------------------------------------|
| Site Audit | Audit form |
| Maintenance Visit | Description of maintenance services performed |
| Repair History | Description of HVAC Equipment repair history |
| Warranty Claims History | Description of warranty claims for the HVAC Equipment |
| Evidence of Installation | Photos of HVAC Equipment upon installation |
| Customer Feedback | Any feedback on HVAC Equipment from a Customer |

8. **ADDITIONAL DEFINITIONS**

Exhibit A to the Participation Agreement is supplemented with the following definitions.

“**HVAC Equipment**” means heating, ventilation and air conditioning units, including all related goods, services (including design, delivery, engineering, permitting, installation, maintenance, building, and monitoring) and/or merchandise that a Customer may request Participant (or a Reseller acting on behalf of Participant) to install in connection with a Lease made by a Financing Provider in connection with the Lease Program.

“**HVAC Equipment Data**” is defined in Section 7.

“**HVAC Equipment Manufacturer**” means the manufacturer of the applicable HVAC Equipment.

“**HVAC Equipment Removal**” has the meaning set forth in Section 5.

“**HVAC Equipment Warranty**” means the equipment warranty for the applicable HVAC Equipment provided by the HVAC Equipment Manufacturer.

“**Maintenance Visit**” has the meaning set forth in Section 3.1.



“**Service Warranty**” means the service contract or other similar agreement providing for coverage of certain labor and repair costs associated with operational or mechanical breakdown of the HVAC Equipment, as purchased by Program Administrator from the Service Warranty Provider on behalf of the applicable Financing Provider.

“**Service Warranty Provider**” means the entity providing the Service Warranty, as designated by Program Administrator.

“**Warranty Administration**” means the administration of the HVAC Equipment Warranty and/or the Service Warranty, as more particularly set forth in Section 4.

“**Warranty Work**” is defined in Section 4.